

Proposed “High Cost” USF Principles

1. Provide access to quality advanced telecommunications and information services in all areas of the country.
2. Ensure that services and rates for consumers living in rural or insular areas are comparable to services and rates for consumers living in urban areas.
3. Provide predictable, sustainable and specific funds to encourage effective and efficient investment in advanced networks.
4. Recognize the need to fund the cost of the underlying network regardless of service the customer has chosen.
5. Provide support only to the extent necessary to maintain comparable and affordable rates and services.
6. Recognize that the definition of USF should be based on an evolving definition of service for consumers.
7. Require accountability from all providers;
 - a. To consumers by
 - i. Providing quality universal service at reasonable rates to all consumers in the area for which the support is received.
 - b. To regulators by
 - i. Demonstrating that the funding was used for the purposes intended;
 - ii. Demonstrating that the funding was invested in the area or areas for which funding is received;
 - iii. Demonstrating that the funding was used effectively and efficiently; and
 - iv. Complying with all rules and regulations, while maintaining reasonable records to support the funding received.
8. Maintain the integrity of the fund and protect the fund from waste, fraud, and abuse.
9. Consider the administrative burden and cost.
10. Maintain a broad base for contributions and ensure that the contribution methodology does not disadvantage any one technology.